

THE SECURITIES ACT

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Order No. 5745

)

Section 20(1)

)

July 30, 2008

DIMENSIONAL FUND ADVISORS CANADA INC.

WHEREAS:

(A) Dimensional Fund Advisors Canada Inc. (the “Applicant”) has applied to the Manitoba Securities Commission (the “Commission”) for an order pursuant to subsection 20(1) of The Securities Act (the “Act”) exempting the affiliates of the Applicant resident outside Canada (collectively, the “Sub-Advisers”) from the requirement under the Act to be registered as an adviser (the “Registration Requirement”) with respect to certain investment advisory services provided to the Applicant for the benefit of certain clients of the Applicant (the “Registration Relief”).

(B) It has been represented to the Commission that:

1. The Applicant is a corporation organized under the laws of Canada. The head office of the Applicant is located in British Columbia.
2. The Applicant is registered as a portfolio manager under the Act, and in equivalent categories under applicable securities legislation in British Columbia and Ontario. In addition, the Applicant is also registered as a limited market dealer under applicable securities legislation in Ontario.
3. The Applicant is a direct wholly-owned subsidiary of Dimensional Fund Advisors LP. The head office of Dimensional Fund Advisors LP is located in the United States.
4. Each Sub-Adviser is, or will be registered or otherwise qualified under applicable laws in the jurisdiction in which its head office is located to provide investment counselling and portfolio management services. The head offices of the Sub-Advisers are and will be located outside Canada.
5. The Sub-Advisers are not and will not be residents of Canada.
6. All Sub-Advisers are and will be affiliates of the Applicant; for this purpose, an affiliate means Dimensional Fund Advisors LP and any entity that is controlled by Dimensional Fund Advisors LP, and “control” and any derivation thereof means the possession, directly or indirectly, of the power to direct or significantly influence the management and policies/business or affairs of an entity whether through ownership and voting securities or otherwise.
7. The Applicant intends to offer the investment counselling and portfolio management services of the Applicant and the Sub-Advisers to institutional and high net worth clients resident in

Manitoba (“Clients”) who wish to have exposure to the investment counselling and portfolio management services of the Applicant. The Sub-Advisers are not registered as investment counsel (or equivalent) under the Act or applicable securities legislation in any other Canadian jurisdiction.

8. The Applicant will enter into an investment management agreement or similar agreement with respect to each Client that:

(a) provides the Applicant with discretionary authority to purchase and sell securities on behalf of the Client, and

(b) authorizes the Applicant to retain Sub-Advisers to provide investment advisory services for the benefit of the Client and in some cases, to delegate its discretionary authority over all or a portion of the Client’s assets to third parties.

9. The Applicant will agree with respect to each Client that the Applicant will be responsible for any loss that arises out of the failure of a Sub-Adviser:

(a) to exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Applicant and each Client for whose benefit the investment advisory services are to be provided, or

(b) to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances,

(collectively, the “Assumed Obligations”).

10. The Applicant will not permit any Client to relieve it from the Assumed Obligations.

11. The Applicant will be responsible for providing the Clients all applicable reports and statements required under Manitoba securities legislation.

12. The Applicant will enter into an agreement with each Sub-Adviser that sets out the obligations and duties of each party in connection with the services provided for the benefit of the Clients and pursuant to which the Sub-Adviser agrees to act as a sub-adviser to the Applicant for the benefit of the Clients. Under the terms of this agreement, the Applicant will be permitted to exercise a degree of supervision over the activities of the Sub-Advisers, in respect of services provided for the benefit of Clients, sufficient to satisfy the Applicant’s obligations to the Clients.

13. Each Sub-Adviser who provides investment counselling and portfolio management services with respect to the assets of Clients would be considered to be acting as an “adviser” within the meaning of the Act, and in the absence of the Registration Relief, would be subject to the Registration Requirement unless otherwise exempt.

14. The Act does not contain an exemption from the Registration Requirement that would be available to the Sub-Advisers.

(C) The Commission is satisfied that it would not be prejudicial to the public to grant the relief requested.

IT IS ORDERED:

1. **THAT** pursuant to Section 20(1) of the Act, the Registration Relief is granted, provided that:

(a) the obligations and duties of each of the Sub-Advisers are set out in a written agreement with the Applicant;

(b) the Applicant contractually agrees with each Client that the Applicant will be responsible for the Assumed Obligations;

(c) the Applicant cannot be, and at no time is, relieved from the Assumed Obligations by the Clients;

(d) each Sub-Adviser not resident in Canada will be licensed, registered or otherwise legally permitted to provide investment advice and portfolio management services under the applicable laws of the foreign jurisdiction in which its head office is located;

(e) the Applicant is registered under the Act as a portfolio manager;

(f) if there is any direct contact between a Client and a Sub-Adviser, a representative of the Applicant, duly registered to provide portfolio management and investment counselling services will be present at all times, either in person or by telephone; and

(g) the Registration Relief is available only to Sub-Advisers who are not registered in any Canadian jurisdiction.

2. **THAT** the fee for this order shall be \$750.

BY ORDER OF THE COMMISSION

Deputy Director - Legal